



**MINUTES OF THE  
CALIFORNIA INFRASTRUCTURE AND  
ECONOMIC DEVELOPMENT BANK**

For the meeting held on  
December 11, 2012  
980 9<sup>th</sup> Street, Conference Center, 2nd Floor  
Sacramento, California 95814

Chairman Jimenez called the meeting of the California Infrastructure and Economic Development Bank (I-Bank) Board to order at approximately 1:30 p.m.

**1. Call To Order and Roll Call.**

The following Board members were in attendance:

Augustin Jimenez, represented the Acting Secretary of the Business, Transportation and Housing Agency.  
Pedro Reyes, represented the Director of the Department of Finance.  
Francisco Lujano, represented the State Treasurer.  
Willie Armstrong, represented the Secretary of the State and Consumer Services Agency.  
D. Everett Rice, Governor's appointee.

The following I-Bank staff members were in attendance:

Stan Hazelroth, Roma Cristia-Plant, Tom Tengan, and Joel Tokimitsu.

**2. Executive Director's Report.**

Executive Director Stan Hazelroth reported to the Board the following:

- On November 9<sup>th</sup>, Fitch Ratings affirmed its AA+ rating of the I-Bank's Infrastructure State Revolving Fund Program bonds. He recognized staff for their diligent work to maintain the rating on the bonds.
- On December 3<sup>rd</sup>, \$68,940,000 of refunding bonds for the Clean Water State Revolving Fund Program closed providing a net savings of over \$10 million.
- That he and Debra Otto, the I-Bank's Executive Assistant, were both retiring in December, and that he was very grateful for his years of service to the I-Bank.

**Consent Items:**

**3. Approve minutes from the meeting held on November 13, 2012.**

Chairman Jimenez called for questions or comments from the Board and the public. Hearing none, he entertained a motion to approve this consent item. Mr. Reyes moved to approve the minutes and Mr. Lujano seconded the motion. The Board unanimously approved the minutes.

**Action Items:**

- 4. Resolution No. 12-11 approving a Debt Management Policy for bonds issued by the I-Bank to fund its own programs, conduit bonds (industrial development bonds, exempt facility bonds, qualified 501(c)(3) bonds) and bonds issued by the I-Bank on behalf of other State and local governmental entities.**

Ms. Cristia-Plant presented a staff report describing the request for approval of a Debt Management Policy (Debt Policy) for the I-Bank. She apprised the Board that the purpose of the proposed Debt Policy is to establish comprehensive guidelines for the issuance and management of the I-Bank's bonds and other obligations for borrowed money, and that the Debt Policy is intended to help ensure that: (i) the I-Bank board of directors and staff adhere to sound debt issuance and management practices; (ii) the I-Bank achieves the most advantageous cost of borrowing commensurate with prudent levels of risk; and (iii) the I-Bank maintains a sound debt position and preserves the credit quality of its Bonds. Ms. Cristia-Plant informed the Board that the policy was thoroughly reviewed by the I-Bank's General Counsel, and that input on the proposed policy was obtained from the I-Bank's financial advisor, Public Financial Management, and from staff at the State Treasurer's Office.

Chairman Jimenez called for any questions or comments from the Board. Mr. Reyes commented that he needed more time to review the policy. Ms. Cristia-Plant indicated that staff would be willing to withdraw the action item to allow the Board to have additional time to consider the policy, and that the policy would be brought back to the Board at a later date.

Chairman Jimenez called for any more questions or comments from the Board or the public. Hearing none, Chairman Jimenez announced that no action was taken on Resolution No. 12-11.

**Other Non-Action Business.**

Chairman Jimenez called for any other business; there was none.

**Public Comment.**

Chairman Jimenez called for any public comment; there was none.

Chairman Jimenez presented Mr. Hazelroth with a Senate resolution authored by Senator Darrell Steinberg which highlighted Mr. Hazelroth's career accomplishments. The Board members acknowledged Mr. Hazelroth's retirement and thanked him for his years of service on behalf of the I-Bank.

**Adjournment.**

Chairman Jimenez declared the meeting adjourned at approximately 2:00 p.m.